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Pago Pago, American Samoa 96799

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Honorable Daniel K. Inouye
United States Senator
The Senate of the United States
712 Hart Building
Washington, D.C.

Dear Senator Inouye:

It has been two months since I last wrote to you regarding our objection to a House Bill proposed and sponsored by the Territory's Congressional Delegate Eni Faleomavaega, being Section 421 of H.R. 2830, the Coast Guard Reauthorization Bill, which lies now before the Senate. Congressional adjournment is to occur shortly, and our concern is now acutely focused.

You may recall our opposition to this Bill because it would allow foreign owned and foreign controlled fishing operations in the U.S. Exclusive Economic Zones in our oceanic region. The Bill accomplishes this result by authorizing a ruse which declares that a fishing license (endorsement) is not required of any foreign built, or foreign controlled and foreign operated purse seine tuna fishing vessel that goes thru the paper process of documenting itself as United States vessel home ported in American Samoa.

What is not stated in this Bill is that canceling the current requirement of a U.S. fishing license allows these foreign fishing operations to avoid the conditions it requires, among other things, of 75% U.S. ownership and control for fishing operations in U.S. Exclusive Economic Zones. It also allows these foreign fishermen to use the U.S., as a member of the South Pacific Tuna Treaty, to profit from the priority access that the United States is granted by other Pacific Island Nations to fish in their EEZs.

Under the Bill, all of this is accomplished by merely changing paperwork on the foreign vessel. So we have Taiwanese interests in purse seine operations in the Pacific heavily promoting this scheme through the South Pacific Tuna Corporation. The large Thailand interests that own one of our smaller canneries, Chicken of the Sea, is also supporting it for their own purse seiners in other fishing operations. Soon we shall see all the other foreign purse seiner operators in the Pacific clamoring to use this same easy scheme to gain access to fishing privileges long reserved by law and national policy for the U.S. fleet.

I wish to address the claim made by the Bill's author that his legislative device in promoting these special interests will, somehow, also promote the economic future of our tuna canning industry by ensuring them an added supply of fish being delivered to American Samoa. In fact, the opposite is true. It will result, more likely, in a lessening of available fish for our canneries.

As the Bill's author has admitted in his press statements, these foreign built purse seiners will have the special facilities for transshipping their catches to motherships at sea, which enables the economic transfer of their catches to their own processing plants. There is no requirement or practical or economic incentive to send the fish to American Samoa. Appreciating the lack of credibility this brings to a claim that this Bill will somehow enlarge the supply of fish to American Samoa canneries, the promise is being published that American Samoa canneries will be given a right of first refusal to buy their catches. Since the refusal to purchase by American Samoa's canneries can be guaranteed by high price demands, which are not subsequently made to their usual processing operations, such promises are worthless and have no sound economic incentive.

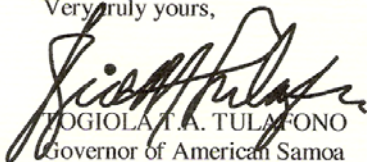
Nevertheless, the tuna catches taken out of our waters by foreign purse seiners so empowered by this Bill, will as a practical matter, mean less tuna available in these exclusive EEZ waters for licensed U.S. purse seiners, resulting in the possibility of lesser catches being brought home to our canneries.

In summary, we have concluded after a thorough review of possible benefits from this Bill, that there is no evidence that a fleet of foreign built US flag tuna purse seine vessels which claim American Samoa as their home port have ever or will ever bring their catch to the canneries in American Samoa. These vessels remain on the grounds for long periods and transship their catch to freighters at sea destined for delivery to foreign ports. Similarly, there is little evidence that these vessels have ever or will ever avail themselves of any significant amount of crew, goods or services from American Samoa including ship building and repair. The facts and underlying economics can not support any reliance on such claims.

Thus, the very stated purpose of this legislation is false. There will be no added tuna for the canneries; no purchases of goods and services; minimal if any crew jobs; no benefit to American Samoa—just the extraordinary result of foreign fishing in vast areas of US waters under the convenience of a US flag. And, as before said, it allows these foreign fishermen to use the US, as a member of the South Pacific Tuna Treaty, to profit from the priority access it is granted by other Pacific Island nations to fish in their EEZ's.

In the ending days of this term of Congress, we hope that these considerations will be thoroughly reviewed. The Territory must rely on your help with such matters, and, as always, we are most grateful.

Very truly yours,



FIOGIOLA T. A. TULAFONO
Governor of American Samoa

cc: Hon. Faoa Ipulasi A. Sunia, Lieutenant Governor
Hon. Lolo M. Moliga, President of the Senate
Hon. Savali T. Ale, Speaker
Hon. Faleomavaega Eni Hunkin, American Samoa Delegate to US Congress